

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5498-01  
Bill No.: SB 833  
Subject: Energy; Motor Vehicles; Public Service Commission; Utilities  
Type: Original  
Date: January 29, 2018

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Bill Summary: This proposal modifies the definition of “electric plant” to include electric vehicle charging stations.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Public Service Commission Fund	(\$78,562)	(\$92,047)	(\$92,930)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$78,562)</b>	<b>(\$92,047)</b>	<b>(\$92,930)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Public Service Commission Fund	1 FTE	1 FTE	1 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>1 FTE</b>	<b>1 FTE</b>	<b>1 FTE</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Economic Development - Office of Public Counsel (OPC)** assumes this proposal seeks to define the term "electric plant" to expressly include electric vehicle ("EV") charging stations, in contravention to the Public Service Commission's order that found that EV charging stations "are not used for furnishing electricity for light, heat, or power."

The definition of "electrical corporation" is a company owning or operating electric plant. Should this legislation pass, companies that currently provide EV charging would be engaging in a regulated activity, requiring those companies to be registered with the PSC as a regulated utility. This will create additional expense to manage the additional case load from the applications and rate filings of new regulated entities.

Given the experience of OPC on time spent litigating existing revenue adjustment mechanisms, the potential for appellate work, and the amount of Investor-Owned Utilities who would be eligible to seek such a mechanism, such a bill would likely require an additional attorney at \$58,423 annually.

In summary, OPC assumes an average cost of \$92,000 per year for the additional FTE to provide for the implementation of the changes in this proposal.

Officials from the **Department of Economic Development - Division of Energy** and the **Public Service Commission** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **City Utilities - Springfield** assume the proposal will have no fiscal impact on their organization.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
<b>PUBLIC SERVICE COMMISSION FUND</b>			
<u>Cost - OPC</u>			
Salaries	(\$48,686)	(\$59,007)	(\$59,597)
Fringe Benefits	(\$23,450)	(\$28,313)	(\$28,488)
Equipment and Expense	(\$6,426)	(\$4,727)	(\$4,845)
<u>Total Cost - OPC</u>	<u>(\$78,562)</u>	<u>(\$92,047)</u>	<u>(\$92,930)</u>
FTE Change - OPC	1 FTE	1 FTE	1 FTE
<b>ESTIMATED NET EFFECT ON THE PUBLIC SERVICE COMMISSION FUND</b>	<b><u>(\$78,562)</u></b>	<b><u>(\$92,047)</u></b>	<b><u>(\$92,930)</u></b>
Estimated Net FTE Change on the Public Service Commission Fund	1 FTE	1 FTE	1 FTE
<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could have a fiscal impact on unregulated providers of electric vehicle charging stations that would now be regulated under the Public Service Commission.

FISCAL DESCRIPTION

Currently, "electric plant" is defined to include certain property and materials used in connection with the generation, transmission, distribution, sale, or furnishing of electricity. This act also defines electric plant to include electric vehicle charging stations owned by an electrical corporation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Economic Development  
Springfield Utilities

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope", with a stylized flourish at the end.

Acting Director  
January 29, 2018